Government of Maharashtra
Co-operation, Marketing and Textile Department
Government Resolution No.: Policy 2017/C.R. 6/Tex-5
Mantralaya, Mumbai 400 032
Dated 15th February, 2018

Introduction:

Maharashtra State, covering the western and central parts of the country, is blessed with a 720km long coastal line of the Arabian Sea. The Sahyadri range of the Western Ghats forms the natural backbone of the State, with the Satpura range in the north and Bhamragadh- Chiroli-Gaikhuri ranges in the east forming its natural boundaries. The State is surrounded by Gujarat in the Northwest, Madhya Pradesh in the North, Chhattisgarh in the East, Telangana in the Southeast, Karnataka in the South and Goa in the Southwest.

As per the Census 2011, the State has a population of 11.24 crore, accounting for 9.3% of the total population of the country and ranks second nationally. Its geographical area is 3.08 lakh sq.km. The State is highly urbanized at 45.2%.

Many leading corporates and financial institutions have established their headquarters in Mumbai, which is the capital of the State and also the commercial capital of the country. The leading stock market, the capital market and commodity exchange centers of India are situated in Mumbai. The State has 36 districts, divided into six revenue divisions, viz. Mumbai, Nashik, Pune, Aurangabad, Amravati and Nagpur. Agriculture is the main occupation in Maharashtra. Both, food as well as cash crops are cultivated in the State.

Well developed infrastructure facilities, abundant natural resources, good connectivity with the rest of the country through all modes, skilled manpower and quality education have made Maharashtra an ideal business destination for existing as well upcoming industries. Availability of basic infrastructure and development of smart cities have been the two major focus areas of the State.

Textile Industry

The textile sector plays an important role in the national economy owing to its major contribution to the GDP, industrial production, employment generation and export revenue generation. The textile industry contributes 14% of India’s industrial production, 4% of its GDP, and 13% of its total exports. The textile industry is one of the leading employment generating industries in the country, employing approximately 5 crore people. The Indian textile industry has the second largest industrial capacity in the world. Availability of raw material, skilled

manpower and lower production costs are its key strengths. The readymade garments sector was worth Rs. 6 lakh crore in the FY 2016-17. The market for readymade garments is divided into three segments viz. domestic market, industrial market and international market. Out of the total readymade garments production, 60% is consumed in domestic sector, 21% is consumed in the industrial sector while 19% is exported. The export of raw fabric and readymade garments will continue to grow in the coming years.

The textile industry plays an important role in the State's economy. It is the second largest employment generating sector after agriculture. There has been a sizeable increase in the ginning, spinning and weaving industry in the State. The State has efficient rail, road, port and airport infrastructure for connectivity, availability of electricity, skilled manpower and abundantly available cotton. The State has set an objective of achieving 100% processing of all the cotton grown in the State. Keeping this objective in mind, and to realize the concept of "Fiber to Fashion", the State declared its Textile Policy **2011-17** in Jan 2012. The policy led to investments to the tune of Rs.20,000 crore in the sector with employment generation of 3 lakh.

The State produces ample quantity of silk in addition to cotton. Sericulture and silk processing industry is an important agriculture and forest based employment generating sector. A farmer can generate an income of approximately Rs. 8 Lakh per Ha in this sector. Maharashtra is the leading non-traditional silk producing State in the country. Sericulture requires less water as compared to other cash crops. It can provide the farmers a guaranteed source of income and thus can prevent rural migration to cities. The State has a very conducive environment for sericulture. Mulberry and Tussar plantation can even withstand unstable weather conditions. The increasing demand for the silk and silk products in the domestic and the export markets, provides for a guaranteed source of income for the farmers. Thus sericulture has good potential to support the State's policy of doubling farmers' income. Further, the Mahareshim Abhiyan could provide an opportunity to uplift the beneficiaries of the Forest Rights Act.

The State annually produces approximately 1400 metric tonne of wool from the 'Deccani' sheep. However, the sheep rearing community is not able to benefit financially due to lack of supporting infrastructure in the State. Establishment of wool processing industries oriented towards value addition will help boost the income of the sheep rearing community and also reduce rural migration to cities. Apart from cotton, silk and wool, Maharashtra produces a large quantity of bamboo, banana, *ghaypat, ambadi* and coir. These could be good sources of non-conventional yarn. Today farmers have to pay for removal of the banana barks after

harvesting. However, the banana barks can be processed to produce yarn and this can result into an immediate additional source of income for farmers.

The State's new Textile Policy will provide a stimulus to the textile industry in the State. The policy is aimed at generating 10 lakh new employments in the next 5 years and doubling the farmers' income by 2022. The policy, which is expected to attract investments worth Rs. 36,000 crore, will provide many benefits including competitive power tariff and increased capital subsidy for SC/ST and minority categories. The policy lays special focus on strengthening the knitting, garmenting and hosiery sector which will create ample employment opportunities for women. This will prove to be an important step forward towards women empowerment and development of women entrepreneurs.

The policy aims not only at further strengthening the cotton, silk and wool sectors but also promoting non-conventional yarn production, skill development and increased use of green energy. The State's innovative measures for the revival of the textile industry is the focal point of the policy. It lays great emphasis on and preference to skill development as well as research & development. Under this policy, the State will establish a first of its kind Textile University and will collaborate with leading technical institutes in the textile sector to undertake world class research & development projects in agriculture universities. This initiative will help fill the void in theoretical and practical aspects of textile education in the State.

The Textile Department has planned to create a Textile Development Fund for sufficient and timely funding as well as meeting essential infrastructure needs of the textile industry. This fund will be generated out of government equity returned by the cooperative spinning mills, sale of the textile department's land and other assets and 50% of CSR funds from various textile industries which have availed government subsidies and other benefits.

At present out of the total cotton production in the State, only 25% of cotton is utilized by spinning mills while the rest of the cotton is sent out of the State. Additionally grey cloth and yarn is sent out of the State for dyeing and processing. The policy is aimed at reducing this gap in the production and processing resulting into an integrated "Farming to Marketing" value chain in the State.

In view of the above, the State Textile policy 2018-23 is designed to generate employment in the State through processing of cotton, silk, wool, non-conventional yarn and man-made fiber.

Government Resolution:

The State Textile Policy is hereby approved vide this Government Resolution. The salient features of State Textile Policy are enumerated in the following paragraphs.

1. Period of the Textile Policy

This Textile Policy will come into effect from the date of issuance of this Government Resolution and will continue to be in effect till 31st March, 2023.

2. Objectives of The Textile Policy 2018-23

2.1 Encourage setting up of Fiber to Fashion value chain.

2.2 Generate 10 lakh new employments in the textile sector.

2.3 Special focus on development of the textile industry in cotton growing areas.

2.4 Special focus on processing, knitting, hosiery and garmenting sectors to create an internationally competitive textile industry in the State.

2.5 Set up pollution free / ecofriendly dyeing and processing industry.

2.6 Increase Mulberry and Tussar cultivation, increase Silk yarn production and create a silk tourism corridor.

2.7 Encourage traditional silk weaving businesses such as the Paithani Saree. Also create, promote and market "*Adhyatmik Reshim*" brand.

2.8 Special focus on non-conventional yarn (bamboo, banana, *ambadi*, *ghaypat*, maize, coir, etc.) and its usage with a view to doubling farmers' income.

2.9 Focus on reviving the entire wool industry from shearing to garmenting to marketing.

2.10 Special focus on the emerging sector of technical textiles.

2.11 Provide the textile industries with the latest technical expertise created by institutes such as IITs, SASMIRA and WRA which are actively engaged in research & development in the textile industry.

3. Definitions

3.1 **Existing Project**: Any project existing prior to the announcement of this policy and any project coming under expansion / diversification / modernization during the period of this policy.

3.2 **New Project**: Any project established and starting production during the period of this policy.

3.3 **Expansion Project**: Any existing project increasing its gross fixed capital investment by 25% and increasing its total production capacity by 25% as compared to the previous

year will be considered as expansion or diversification. Such expansion and / or diversification will include forward and backward integration.

3.4 **Gross Capital Investment**: Investment in machinery before expansion / diversification / modernization and / or investment made from financial assistance approved by financial institutions / banks.

3.5 **Modernization Project**: Conversion of old simple powerloom to shuttle-less rapier loom and to any loom based on advanced technology.

3.6 **Diversification Project**: Any project undertaken by an existing unit to produce additional product(s) of the textile value chain.

3.7 **Project Cost**: Aggregate cost of land, building and machinery.

3.8 **Eligible Machinery**: Machinery eligible under centrally sponsored TUFS scheme (including any subsequent modifications by the Central Government to these schemes) or machinery approved by the State Government.

3.9 **Eligible Amount**: Long term loans for capital subsidy under the centrally sponsored TUFS scheme (including any subsequent modifications by the Central Government to these schemes) or long term loans (excluding taxes) approved by financial institutions or banks for machinery approved by the State Government.

3.10 **Eligible amount for self-financed projects**: As per the criteria of centrally sponsored TUFS scheme (including any subsequent modifications by the Central Government to these schemes) or cost of machinery (excluding tax) approved by the State Government.

3.11 **Eligibility for Capital Subsidy:** The eligibility for capital subsidy will be decided based on the installed capacity of the project and actual annual production.

3.12 **Composite Unit**: A project comprising minimum two activities of the value chain, i.e. spinning, weaving, knitting, processing and garmenting.

3.13 **Technical Textiles:** Such textile production which is aimed not only at fabric production but also at creating products which could be used in the industrial, defence, research and other advanced sectors due to its specialized technical properties. These products are classified into following categories based on their quality and end use:

(1) Agro tech, (2) Build tech, (3) Cloth tech, (4) Geo tech (5) Home tech, (6) Ind tech , (7) Medi tech, (8) Mobile tech, (9) Echo tech, (10) Pack tech, (11) Pro tech (Protective textile) (12) Sport tech, (13) Defence tech, (14) Products announced by Textiles Ministry of Central Government from time to time.

3.14 **TUF Scheme**: Amended Technology Upgradation Funds Scheme (A-TUFS) of the Central Government or any scheme amended by the Central Government from time to time.

4. Textile Components included in Textile policy 2018-23:

4.1 Cotton ginning and pressing

4.2 Spinning / silk reeling and twisting / integrated silk park / synthetic filament / yarn texturing, crimping and twisting

4.3 Weaving and powerloom

4.4 Technical textile, non-woven and converters of non-woven

4.5 Knitting / hosiery / garment / apparel & made-up

4.6 Processing of fiber / yarn / fabric / garments / made-ups

4.7 Processing of non-conventional fiber / yarn / fabrics / garments / made-ups (bamboo, banana, *ghaypat*, maize, coir, hemp, etc)

4.8 Expansion of existing textiles units

4.9 Textile Parks / processing parks

4.10 Energy saving and process control equipment for various textile sectors

4.11 Skill development activities

4.12 Wool sector (i.e. scouring, combing, spinning (worsted, shoddy and woolen) and weaving and carpet sector.

4.13 Standalone spinning

4.14 Spinning with matching downstream capacity

4.15 Manufacturing viscose filament yarn / viscose staple fiber

4.16 Independent weaving preparatory

4.17 Embroidery on standalone basis

4.18 Composite upgradation (i.e. units going for upgradation in spinning, weaving / knitting and processing)

4.19 Multi-activities (units with two or more activities simultaneously except composite upgradation mentioned above)

4.20 Composite unit

4.21 Other units of textile industry not mentioned herein

5. Scheme under Textile Policy 2011-17: Projects which have submitted their applications (Form A) under Textile Policy 2011-17 will continue to receive the benefits declared under that policy till the beneficiary period of that project.

6. Extension to the Textile Policy 2011-17:

The long term loans approved from 18 April 2016 to 15 February 2018 will be eligible for benefits as per the Government Resolution 2015/C.R 364/Text-5 dated 18 April 2016.

Further, the self-financed projects which have ordered machinery between 2 December 2015 and 15 February 2018 will be eligible for benefits as per the Government Resolution dated 2 December 2015.

7. Following schemes will be implemented for the development of Textile industry under Textile Policy 2018-23:

7.1 **Co-operative spinning mills**

7.1.1 The scheme of government equity for co-operative spinning mills will be implemented only in the cotton growing districts of the State.

7.1.2 The scheme will be implemented only in those talukas where less than 50% of the cotton produced is consumed in the spinning mills situated within those talukas.

7.1.3 The ratio of self-equity of co-operative spinning mills, government equity and loan from financial institutions will be 10:30:60 with an aim to provide timely government equity to the co-operative spinning mills. Increase in the self-equity of co-operative spinning mills may be considered in future.

7.1.4 A provision will be made for appointment of a Government Gazetted Officer as Managing Director by the co-operative spinning mills for human resource development. Training programs will be developed for skill development, capacity building and overall management.

7.1.5 A scheme will be formulated to encourage / award the co-operative spinning mills based on parameters such as operational performance, power saving, savings in expenditure, audit rating, measures taken for increased profitability / loss reduction, return of government dues, etc. The co-operative spinning mills will be given preference in government schemes including funding and any other subsidy schemes.

7.1.6 Administrative measures will be put in place for use of modern machinery and solar power by co-operative spinning mills.

7.1.7 One Time Exit Policy: Co-operative spinning mills and co-operative powerloom societies will be allowed to be privatized provided they are ready to return the government equity, loan and interest thereupon. If there is any change in the industrial use of the land then an amount will have to be paid to the government as per the prevailing rules.

7.2 **Powerlooms:**

Maharashtra has 13 lakh powerlooms accounting for 50% of the powerlooms in the country. The plain powerloom accounts for 80% (approx. 10 lakh) of the total powerlooms in the State. The following schemes, supplementary to the central schemes, for modernization of plain looms will be implemented with an aim to improve the quality of fabric, productivity of the units, power efficiency, and to make the industry competitive in the domestic and international markets.

7.2.1 **State scheme for modernization of plain powerlooms**: The State Government will provide the following grant to the powerloom owners who have received the grant from the Central Government under the centrally sponsored “Pilot scheme of in situ upgradation of plain powerloom for SSI Sector” for modification of plain powerlooms:

Sr No	Type of modernization	Subsidy rate per loom		
		General Category (35%)	Scheduled Castes (20%)	Scheduled Tribes (8%)
1	**Conversion of simple powerloom to Semi-Automatic shuttle loom**	Rs 10,000/-	Rs 6,800/-	Rs 2,400/-
2	**Conversion of Semi-Automatic shuttle loom to Shuttle less rapier loom**	Rs 17,500/-	Rs 10,000/-	Rs 4,000/-
3	**Conversion of simple powerloom to Shuttle less rapier loom**	Rs 28,000/-	Rs 16,000/-	Rs 6,400/-

This scheme will be implemented as per the terms and conditions of the Central Government scheme. The policy of sanctioning financial assistance after receipt of beneficiary details from the Central Government will be followed. If the scheme is modified by the Central Government then the State Government will also modify the scheme accordingly.

7.2.2 **Other schemes for Powerlooms:** The Central Government is implementing Group work shed scheme, Yarn bank scheme, Common Facilitation Center (CFC - decision center / studio, testing facilities, trading center, information cum trade center & common raw material / yarn / sales depot, water treatment plant for industrial use, dormitory residential space, common pre-weaving facilities viz. yarn dyeing, warping, sizing and twisting etc. and post-weaving facilities viz. processing, etc.) and Solar energy scheme for powerlooms

units. The State Government will prepare schemes supplementary to the central schemes as per the guidelines and conditions set by the Central Government. The policy of sanctioning financial assistance after receipt of beneficiary details from the Central Government will be followed.

7.3 **Administrative simplification of schemes covered under Textile Policy 2011-17**

7.3.1 **Merger of TUFS linked and delinked schemes:** Due to changing interest rates, the administration of the subsidy under the TUF schemes is complicated. Hence a decision will be taken for administrative simplification (Ease of Doing Business) of such subsidy process.

7.3.2 With an aim to simplify administrative procedures and reducing processing time, the approval process for construction and purchase of machinery by the spinning mills and powerlooms will be decentralized.

7.3.3 **Online processing of schemes covered` under the Textile Policy:** Paperless office and online processing of schemes will be implemented in accordance with the objectives of administrative simplification and Ease of Doing Business.

7.4 **Capital Subsidy in lieu of Interest Subsidy**: The policy of capital subsidy in lieu of Interest subsidy to the new, expansion & diversification / modernization projects undertaken during the Textile Policy 2011-17 will be continued with modifications in the Textile Policy 2018-23. Additional capital subsidy will be granted to processing plants set up in the cotton growing areas of Vidharbha, Marathwada and North Maharashtra. The details of the Capital subsidy rate and the duration for various textiles units are as follows:

	Type of Textile				
	Processing (yarn, fabric, printing), Technical textile Knitting, Hosiery and Garmenting*	Composite Unit **	Spinning, Ginning, Pressing	Conversion of Old Plain powerlooms to Shuttle less Rapier looms or looms based on latest technology (Modernization of powerlooms)	New Powerlooms based on latest technology (Other than plain Powerloom), Weaving, Preparatory, Warping, Sizing, Conning, Twisting, Doubling, TFO and other textile units excluding those mentioned at Col 2 to 5
1	2	3	4	5	6
	% of eligible amount	% of eligible amount	% of eligible amount	% of eligible amount	% of eligible amount
Subsidy to units in the General category	40%	35%	25%	25%	25%
Subsidy to units in the SC/ST/Minority category	45%	40%	30%	30%	30%
Additional subsidy for production of Yarn, fabric and other products from non-conventional yarn	10%	10%	10%	-	-
The following additional subsidies will be applicable for textile projects in the Vidarbha, Marathwada and North Maharashtra regions:					
	Type of Textile				
	% of eligible amount	% of eligible amount	% of eligible amount	% of eligible amount	% of eligible amount
Additional Capital subsidy	20%	10%	10%	10%	10%
Additional subsidy for units having Forward/Backward Integration	5%	-	5%	-	5%
Additional subsidy for units set up in a taluka not having any existing Spinning mills	-	-	5%	-	-
5% Additional subsidy for new composite unit set up in a taluka not having any Co-Operative or Private spinning mill	-	5%	-	-	-

* Construction cost of ETP / CETP / ZLD in the processing projects will be eligible for capital subsidy.

** Composite Unit: If particulars mentioned in Column 2 are not included then 35% for other processes and if particulars mentioned in Column 2 are included then 40% for those specific processes.

- 5% additional capital subsidy for projects with investment of Rs. 500 crore and above. If it is the first project / pioneering project in that taluka then additional 5%, totaling to 10% capital subsidy will be applicable.

Capital Subsidy will be disbursed as follows:

i. First Instalment: 30% of eligible amount after 12 months from start of production
ii. Second Instalment: 30% of eligible amount after 24 months from start of production
iii. Third Instalment: 40% of eligible amount after 36 months from start of production
iv.

The following projects will be eligible under this scheme:

a) Projects for which the long term loan has been approved for machinery under the centrally sponsored TUFS scheme from the date of issuance of this Government Resolution or thereafter till 31 March 2023.
b) Ginning and spinning projects for which the long term loan has been approved till 31 March 2023 by banks / financial institutions and where the projects have submitted Form-A on the State Government website.

7.5 **Capital subsidy for self-financed Projects:**

7.5.1 New / Expansion / Diversification / Modernization self-financed textile projects will be granted capital subsidy as per capital subsidy in lieu of Interest Subsidy Scheme.

7.5.2 Self-financed projects in the Vidarbha, Marathwada and North Maharashtra regions will be granted additional capital subsidy.

7.5.3 Textile projects of scheduled castes / scheduled tribes / minority communities will be granted capital subsidy as per the above mentioned capital subsidy in lieu of Interest Subsidy Scheme.

7.5.4 Terms and conditions of Government Resolutions dated 2 December 2015 and 18 December 2015 will be applicable to the capital subsidy in lieu of Interest Subsidy Scheme for self-financed projects with necessary modifications.

7.6 **Textile Parks**

7.6.1 The scheme of providing Rs. 9 crore or 9% of project cost, whichever is lower, to the projects by the State Government and those which are approved under Central

Government SITP scheme (Government Resolution dated 25 May 2012) will be continued.

7.6.2 Integrated Textile Hubs / Parks by the MIDC will be set up at Amravati, Aurangabad, Beed, Buldhana, Jalna, Jalgaon, Nanded, Parbhani, Yavatmal and Wardha. Essential infrastructure such as roads, water, electricity, etc. and facilities of testing labs and CETP will be provided at these Integrated Textile Hubs / Parks. At least 100 Ha land at each of these Mega Integrated Textile Hubs will be developed.

7.6.3 Similar Textile Hubs / Parks will be set up as per requirement in the Vidarbha, Marathwada and North Maharashtra regions through MIDC.

7.6.4 Textile Parks / Hubs will be established by MIDC at Ichalkaranji (Hatkanangle) and Solapur.

7.7 **Processing (Pre & Post)**

7.7.1 The existing State scheme of 25% of project cost or Rs. 37.5 crore whichever is lower for projects approved under centrally sponsored IPDS scheme (Government Resolution dated 10/02/2015) will be continued.

7.7.2 Capital subsidy will be given for machinery required for ZLD / ETP / CETP in the processing projects.

7.7.3 Processing parks including CETP will be set up in coastal areas by MIDC.

7.7.4 Land for hard waste disposal will be provided in respective districts.

7.7.5 Processing parks including ZLD / ETP / CETP will be set up on priority by the MIDC at Ichalkaranji, Malegaon and Bhiwandi.

7.7.6 Processing projects having ZLD / ETP / CETP will be provided with electricity at a concessional rates since the costs of operating the ZLD / ETP / CETP projects and the hard waste disposal are very high.

7.7.7 Financial assistance will be provided to institutes such as SASMIRA and IIT to set up water free / effluent free dyeing / processing projects.

7.7.8 Water will be reserved for processing plants since these plants require large quantities of water.

7.8 **Knitting, Hosiery and Garmenting**

7.8.1 Plug & play premises will be established by MIDC in each District / Taluka of Vidarbha, Marathwada and North Maharashtra for setting up of knitting, hosiery and garmenting units.

7.8.2 These premises will have facilities like Common Facilitation Centre, Worker Training Centre, etc. These facilities will be run by unit owners associations / co-operative societies / private limited companies, etc.

7.8.3 Schemes tailor-made to meet the working requirements of women will be formulated for setting up of decentralized knitting, hosiery and garmenting units for women in their rural regions.

7.8.4 Garment parks will be established at Nagpur and Solapur through funds generated by sale of Narsingh Giriji Spinning Mill at Solapur and Empress Mill at Nagpur. Remaining funds will be transferred to the “Textile Development Fund”.

7.8.5 Training of workers and entrepreneurs will be conducted by industrial bodies and NGOs through the Central Government’s skill development schemes, CFCs and State Government’s Pramod Mahajan Skill Development Scheme. These trainings will include hard skills, soft skills and life competencies skills.

7.9 Mega Projects

7.9.1 New or expansion projects of the textile sector with investments of Rs. 100 crore or generation of employment for at least 250 in any Taluka will be granted the status and incentives of a mega project under the Industries Department’s Packaged Scheme of Incentives.

7.9.2 Status and Incentives of mega projects shall also be applicable to combined investment or employment generated by various units of the same entity of the textile sector, set up in the same Taluka.

7.10 Incentives to Promote use of Green Energy:

7.10.1 Special incentives will be given to textile projects implementing environment friendly solar and wind energy projects.

7.10.2 If spinning mills, powerlooms and textile projects are ready to set up green energy projects then the State Government, in collaboration with MEDA, will formulate a scheme for providing appropriate subsidy to reduce the overall power subsidy.

7.11 Electricity Concessions

7.11.1 Cross subsidy on open access will not be levied for textile units.

7.11.2 The State Government's Energy Department will not levy charges other than "transmission charges" on projects using non-conventional sources (solar, wind, etc.) of energy.

7.11.3 A subsidy of Rs. 3 per unit will be given to co-operative spinning mills for a period of 3 years. Within this period of 3 years the units will set up non-conventional power projects to fulfil their power needs. The restriction of 1 MW is removed from the net metering scheme. The subsidy of Rs. 3 per unit will not be applicable to open access. The subsidy will be reviewed every year and will be reduced to keep the overall annual subsidy burden within Rs. 150 crore.

7.11.4 A subsidy of Rs. 2 per unit will be given to powerlooms using power above 200 HP.

7.11.5 Subsidy given to powerloom units using less than 27 HP, 27 to 200 HP and more than 200 HP, will similarly be applicable to garment, knitting and hosiery units.

7.11.6 A subsidy of Rs 2 per unit will be given to spinning mills (except co-operative spinning mills), processing units and all other textile units which are using more than 107 HP power.

7.11.7 It is observed that the electricity rates for units using upto 27 HP are more than the rates applicable for units using 27 to 107 HP. Necessary action will be taken to eliminate this disparity.

7.11.8 When any unit is simultaneously using conventional and non-conventional power, the use of both the power sources will be taken into consideration to decide the load factor.

7.11.9 A committee comprising the Director General, Maharashtra Energy Development Agency (MEDA) and the Director Textile will be set up to finalise the subsidy required for setting up of co-operative spinning mills on solar power within three years.

8. Advertising, Branding and Marketing

8.1.1 Textile fairs and seminars will be organized in Vidarbha, Marathwada and North Maharashtra regions where textile parks will be set up by MIDC. These will be organized in collaboration with the Industries Department, Textile Department and the Textile Commissioner of the Central Government to promote the Textile Policy among the ginning and pressing entrepreneurs, fabric merchants and entrepreneurs.

8.1.2 Workshops will be organized in collaboration with MIDC in the leading States such as Punjab, Rajasthan, Gujarat, Madhya Pradesh, Tamil Nadu and Andhra Pradesh to attract large industrialists and investments.

8.1.3 Textile Policy will be given adequate publicity through print and electronic media.

8.1.4 Seminars and exhibitions organised by State / National level textile organizations at State, National and international level will be encouraged

8.1.5 State / National level organizations will be encouraged to conduct fashion shows etc. to promote the fabric and garments manufactured in the State at international level.

8.1.6 Wide publicity of the schemes covered under the Textile Policy would be done through *gramsabhas* for the growth of the textile industry and involvement of young rural entrepreneurs.

8.1.7 The Textile Policy will be included in the State Government's strategic policies.

8.1.8 Incentive schemes will be implemented to promote grading of cotton bales and to incentivize branding of such graded cotton bales. This will ensure availability of uniform quality of bales for the spinning industry, which in turn will ensure high quality fabric.

8.1.9 A scheme will be formulated for branding, marketing and distribution of products made from handloom and non-conventional yarn through Maharashtra State Handloom Corporation, Maharashtra Small Scale Industries Development Corporation, Khadi and Village Industries Commission and Coir Board. A Committee will be set up under the Chairmanship of the Director-Textile to coordinate the implementation of the scheme.

8.2 **Handloom Development**

The policy for the development of the State's handloom sector, wherein the State Government's share of fund to centrally sponsored schemes and supplementary schemes is made available as and when required, will be continued. There is an increasing demand for the handloom products in the domestic as well as international market. The State Government will develop new schemes for design of handloom products, fusion, etc. in collaboration with NIFT to cater to this increasing demand and to attract young weavers.

The loan and the interest thereon given to the Maharashtra State Handloom Corporation will be converted to government equity to strengthen the Maharashtra State Handloom Corporation.

8.3 **Training**

A scheme will be formulated for State Government funding to CFCs subsequent to the receipt of Central Government funds, for their utilization for training. This will help maximize the impact of the Central Government's Integrated Skill Development Scheme (ISDS).

Additional training courses will be designed by the industrial training institutes (ITIs) to cater for the needs of the textile industry. The government will formulate schemes for integrated three tier development of the workers (hard skills, soft skills and life skills) with the help of experts in this field.

Training courses will be developed for the textile industry and co-operative spinning mills in the areas of human resources development, power savings, time management, supply chain management, skill enhancement and ISO certification, etc.

8.4 **Research and Development**

8.4.1 A Memorandum of Understanding (MoU) will be signed with leading technical institutes such as Indian Institute of Technology (IIT), SASMIRA and WRA for research, development and use of state-of-the-art technology for development of textile, silk and wool industries in the State.

8.4.2 The State Textile University will be set up in the State with support from the Central Government and in collaboration with Agriculture, Higher Technical Education and Skill Development Departments. This University will offer certificate, diploma, graduate and post graduate degrees related to the textile sector.

8.5 **Silk Development**

The State produces ample quantity of silk in addition to cotton. Sericulture and silk processing industry is an important agriculture and forest based employment generating sector. The silk industry can provide the rural population a guaranteed source of income and thus can prevent rural migration to cities. Its cash crop nature as well as increasing demand for silk in the domestic and international market have created vast opportunities for silk production in the State. The silk industry is a boon for farmers affected by unpredictable weather and can help them generate regular income. It is also very crucial to increase the agricultural growth rate and to double farmers' income. Considering the importance of silk industry and its scope for generating employment, the following measures will be undertaken to bring the silk industry to the forefront of the State's economy:

8.5.1 Promoting sericulture and group farming to create a guaranteed source of income for farmers. Private sector involvement will be promoted to sustain sericulture.

8.5.2 Research on high yield mulberry plant species will be encouraged.

8.5.3 Efforts will be made to increase the production of silk cocoons and silk yarn so as to produce more silk than the traditional silk growing States.

8.5.4 The work of establishing a silk cocoon market at Jalna will be duly completed.

8.5.5 Development of existing silk farms into research center / nursery / training centers, etc.

8.5.6 Development of one silk farm as a Model Silk Farm / Silk Training Center at Amravati, Aurangabad, Nagpur and Pune.

8.5.7 Development of silk farming through mulberry group farming / women self help groups (SHGs)

8.5.8 Credit linked capital subsidy will be provided to silk entrepreneurs, weavers and weavers' groups for silk dyeing / processing / weaving machinery.

8.5.9 Setting up of private silk cocoon production centers, Chawki centers, nurseries, etc. will be encouraged.

8.5.10 Mahareshim Campaign will be conducted during the months of March-April each year in collaboration with BARTI (Dr Babasaheb Ambedkar Research and Training Institute, Pune) to create awareness on sericulture and to register new farmers.

8.5.11 Tussar Silk farming will be increased through greater plantation of Ain / Arjun trees in collaboration with the Forest Department.

8.5.12 Incentives similar to those provided to farmers will be provided to private businesses to undertake cocoon processing as an industry as well as mulberry and Tussar farming.

8.5.13 e-Platforms will be provided for the sale of silk weavers' products.

8.5.14 The Directorate of Sericulture will be restructured with technically competent staff to provide increased outreach and support to potential farmers / entrepreneurs and to boost infrastructure capacity building.

8.5.15 The benefits under the current Sericulture scheme are limited to holdings of 1 acre which limits provision of "farm ponds". In view of providing irrigation, the benefits will extended to holdings of 2 acres while keeping the costs same for the unskilled component.

8.5.16 Tussar is a forest farm plantation and hence the land ownership ceiling will be increased from 2 Ha to 4 Ha.

8.5.17 Disease free laying (DFL) production capacity of the Gadhinglaj production center will be increased.

8.5.18 Chawki centers will be set up at Gadhinglaj, Amravati and Aurangabad.

8.5.19 Tussar cocoon market will be set up at Armori (Gadchiroli district) and Bhandara.

8.5.20 Tussar tourism corridor will be established across the forest / tiger reserves at Tadoba, Pench, Navegaon and Nagzira through Forest Department and MTDC.

8.5.21 Drying centres and godown facilities will be made available to store and preserve silk cocoons.

8.5.22 **Advertising and Marketing of Sericulture**: Diverse media of advertising and marketing (Newspaper / *Gramsabha* / *Akashvani* / *Doordarshan* / *Reshim rath*, posters, conferences, exhibition etc.) will be used to create awareness about the silk industry among the farmers and entrepreneurs.

9. Wool Industry

The State annually produces approximately 1400 MT wool per year from the Deccani sheep. However less than 1% wool is procured by the *Punyashloka Ahilyadevi Maharashtra Mendhi va Sheli Vikas Mahamandal.* There is no other infrastructure for processing, production and marketing of the wool in the State. Despite the large production of Deccani wool and increased demand in the domestic and international markets, the large sheep rearing community is deprived of the financial benefits due to non-availability of value added processing within the State. Availability of value added processing and marketing facilities for wool in the State will make sheep rearing a source of independent employment generation and will be financially beneficial to the sheep rearing community. This will help reduce their migration to cities. Following measures will be undertaken to achieve this:

9.1 The State will establish a pilot wool processing unit on PPP (Public Private Partnership) basis to process the Deccani wool produced in the State in collaboration with the Center's Wool Research Association, Thane. Similar projects will be set up in sheep rearing districts based on the success of the pilot project.

9.2 A scheme will be formulated for onsite visits and training for enhanced skill development. Further, a plan of action will be formulated to reserve government land for "sheep rearing areas."

9.3 The Directorate of Textile, Nagpur will monitor and manage the procurement, processing, production and marketing of Deccani Wool.

9.4 Bamboo plantation will be included within the ambit of MGNREGA in a manner similar to that of Tuti / Mulberry plantation.

10. Special incentives for production and use of non-conventional yarn

Special focus will be given to research on production and use of non-conventional yarn (bamboo, banana, *ambadi*, *ghaypat*, maize, etc). Incentives will also be provided for production and use of non-conventional yarn. Farming of these sources of non-conventional yarns will be

included within the ambit MGNREGA. Farm ponds for irrigation will be made available wherever required.

11. The Textile Directorate will be renamed as Textile Commissionerate for effective administration on a pattern similar to that of the EGS Commissionerate, Skill Development Commissionerate and Animal Husbandry Commissionerate. Silk Directorate will be under administrative control of the Textile Directorate. The necessary administrative approval will be sought from the High Power Committee (HPC).
12. Textile Development Fund will be created to provide funds for government equity, State subsidies as well as for branding and marketing. This fund will be generated through the sale of land of Empress Mill and Nagpur Weavers' Co-operative Spinning Mill, funds raised through privatization of spinning mills, government equity returned by the co-operative spinning mills as well as 50% of the CSR funds provided by the textile units.
13. Government Resolutions and guidelines will be separately issued by the respective departments for implementation of the schemes covered under this Textile Policy.
14. This Government Resolution is available on the website www.maharashtra.gov.in. The Reference No. for this Government Resolution is 201802171625204302. This order has been signed digitally.

By order and in the name of Hon. Governor of Maharashtra.

Atul Nilkantha Patne

Digitally signed by Atul Nilkantha Patne
DN: c=IN, o=Government Of Maharashtra, ou=Co-operation, Marketing and Textiles, postalCode=400032, st=Maharashtra, 2.5.4.20=dbe47489f41f6ba7b373916e4ff1397bb87658b79c59c01cd690741a79b94b6f, cn=Atul Nilkantha Patne
Date: 2018.03.03 12:05:45 +05'30'

(Atul Patne)
Secretary, Government of Maharashtra

To

1. Principal Secretary to Hon. Governor, Maharashtra State
2. Principal Secretary to Hon. Chief Minister, Maharashtra State
3. Private Secretary to Hon. Ministers (all)
4. Private Secretary to Hon. Ministers for State (all)
5. Private Secretary to Hon. Leader of opposition, Maharashtra Legislative Assembly, Vidhanbhavan Mumbai
6. Private Secretary to Hon. Leader of opposition, Maharashtra Legislative Council, Vidhanbhavan Mumbai
7. All Members of Parliament from Maharashtra State
8. All Members of Legislative Assembly/ Legislative Council, Maharashtra

9. Chief Secretary, Maharashtra State
10. All Additional Chief Secretaries/Principal Secretaries/Secretaries Mantralaya, Maharashtra State
11. Director, (Textile) Directorate of Textile, M.S., Nagpur
12. Director, (Sericulture) Directorate of Sericulture , M.S., Nagpur
13. Pay and Accounts Officer Mumbai
14. Accountant General (Pay and Accounts, Audit) Maharashtra State 1 / 2 Mumbai , Nagpur
15. Concerned Banks - TUFs Cell
16. Select File (Text 5)